

CA2φN L54

-76S17

Government  
Publications

## Bargaining Information Series

OVERTIME COMPENSATION  
AND MEAL ALLOWANCES IN  
ONTARIO COLLECTIVE AGREEMENTS

August 1976

Number 17



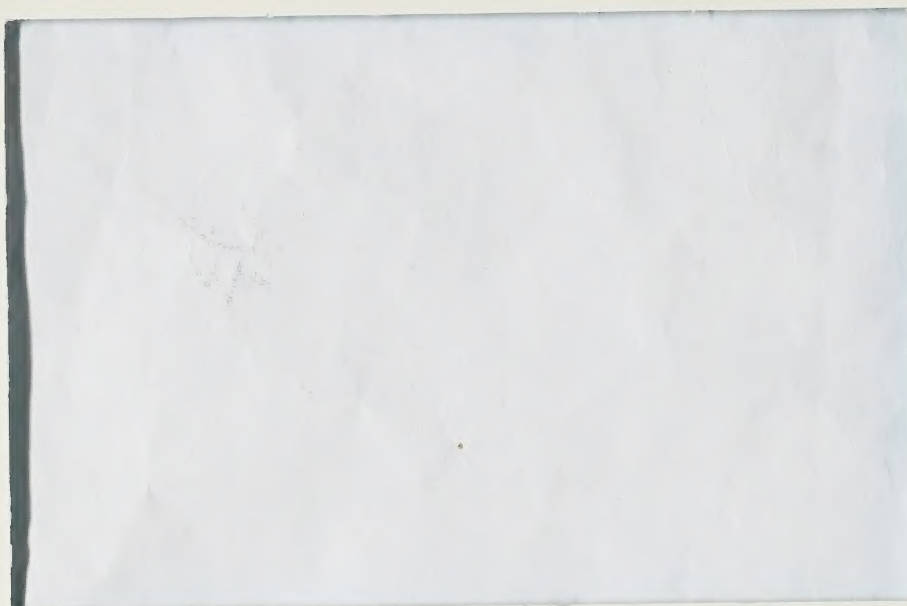
Ontario

Ministry of  
Labour

Research  
Branch

Toronto  
Ontario





OVERTIME COMPENSATION  
AND MEAL ALLOWANCES IN  
ONTARIO COLLECTIVE AGREEMENTS

August 1976

Number 17

by

Research Branch  
Ontario Ministry of Labour  
October 1976

Hon. Bette Stephenson, M.D.  
Minister

T. E. Armstrong, Q.C.  
Deputy Minister





Digitized by the Internet Archive  
in 2024 with funding from  
University of Toronto

<https://archive.org/details/31761120610647>

## FOREWORD

This paper is designed to give quick access to current information on the main elements of overtime compensation provisions in Ontario collective agreements. This is the second report in the Bargaining Information Series to cover this subject.

The information presented was drawn from an analysis of all Ontario collective agreements covering bargaining units of 200 or more employees working in industries other than construction and has been prepared to provide data that will be useful in bargaining situations. As of August 1976, when the analysis was prepared, there were 890 such agreements, covering 762,338 employees, on file with the Collective Agreements Library of the Ministry of Labour.

For further information, please call Beth Kendall at 965-6886.





## CONTENTS

	Page
Foreword .....	i
Overtime Compensation .....	1
Daily overtime .....	2
Weekly overtime .....	3
Saturday overtime .....	4
Sunday overtime .....	5
Sixth day overtime .....	6
Seventh day overtime .....	7
Meal Allowances .....	8
Tables	
1 - Overtime compensation provisions .....	10
2 - Initial overtime rates .....	11
Previous Reports in the Bargaining Information Series still available .....	12





## OVERTIME COMPENSATION

Most collective agreements provide that an employee will be paid a premium or given compensating time off for work in excess of the regularly scheduled hours.

Table 1 shows, by industry, how many of the 890 agreements analyzed have provisions for overtime compensation for work performed after daily or weekly regular hours, on Saturday or Sunday, and on the sixth or seventh day. Table 2 gives details of the compensation for each of these types of overtime.

### Summary

Almost all of the agreements analyzed contained provisions for daily overtime; fewer had provisions for the other types of overtime, as the following tabulation shows.

Type of Overtime Provision	Per Cent of Agreements		
	All Industries	Manufacturing	Non- Manufacturing
Daily .....	95	98	91
Weekly .....	49	43	55
Saturday .....	49	75	19
Sunday .....	62	88	32
Sixth day .....	41	34	49
Seventh day .....	40	36	45

Provisions for Saturday and Sunday overtime pay were more prevalent in manufacturing than in non-manufacturing agreements. A slightly greater proportion of non-manufacturing agreement had provisions for sixth and seventh day overtime. In this sector, there are a number of industries (such as transportation and hospitals) where Saturday and Sunday might be regular workdays.

Time and one-half the regular rate of pay was the most common form of compensation specified for daily, weekly, Saturday and sixth day overtime in the manufacturing sector. It was also the most prevalent in the non-manufacturing sector, but to a lesser extent; there was a corresponding increase in payment of double time and/or provision for a choice of time off or pay at time and one-half.

Double time was the most common compensation paid for Sunday and seventh day overtime in the manufacturing sector. In the non-manufacturing sector, seventh day overtime was compensated most commonly with time and one-half; almost the same number of agreements paid either double time or provided a choice of double time off or pay.

In those agreements which provided additional pay after a specified number of overtime hours, the initial rate was generally time and one-half and the higher rate was double time.

In the previous report on overtime compensation in August 1975, 875 agreements were analyzed. The percentage of agreements with provisions for each type of overtime, and the form of payments made, are basically unchanged from the previous report.

### Daily Overtime

Eight hundred and forty-four agreements (95 per cent of the 890 agreements examined, covering 96 per cent of the employees) specified that an employee working beyond regular daily hours would be paid a premium rate for the time worked or given compensating time off. Almost all of the 473 manufacturing agreements (98 per cent) had provisions for daily overtime compensation as had 91 per cent of the 417 non-manufacturing contracts.

As Table 2 shows, the most common form of compensation for daily overtime was to pay the employee time and one-half the regular hourly rate. This rate was more prevalent in manufacturing agreements, while a provision that gave the employee the choice between time and one-half pay or time and one-half off was more frequent in the non-manufacturing agreements as the following tabulation shows.

Most Common Daily Overtime Compensation	All Industries		Manufac- turing		Non- Manufac- turing	
	<u>Agrts</u>	<u>%</u>	<u>Agrts</u>	<u>%</u>	<u>Agrts</u>	<u>%</u>
Total with provision .....	844	100	464	100	380	100
Time and one-half .....	744	88	456	98	288	76
Equivalent time off or pay at time and one-half .....	50	6	1	(a)	49	13

(a) less than 1 per cent



Of the 844 agreements with provision for daily overtime compensation, 222 (26 per cent) provided that a higher rate would be paid for additional overtime work performed after a specified number of hours following the scheduled daily hours. In 202 of these 222 agreements, the initial rate was time and one-half and the higher rate (in all but two of the agreements) was double time for all overtime hours worked in excess of the specified hours shown in the following tabulation.

<u>Daily Overtime Hours after which Double Time was Paid</u>	<u>Number of Agreements</u>
Total with provision .....	200
2 hours .....	24
3 hours .....	32
4 hours .....	116
5 hours .....	5
6 hours .....	1
8 hours .....	15
Other .....	7

In those 20 agreements in which the initial overtime rate was other than time and one-half, the higher compensation was either a choice of time off or pay at varying rates, or it varied for different groups of employees.

#### Weekly Overtime

Four hundred and thirty-five agreements (49 per cent of the 890 agreements studied, covering 48 per cent of the employees) provided compensation for overtime worked after regular weekly hours. Fewer than half of the 473 manufacturing agreements (43 per cent) and more than half of the 417 non-manufacturing agreements (55 per cent) had provisions for weekly overtime compensation. There is no pyramiding of overtime payments: both daily overtime and weekly overtime compensation are not paid for the same hours worked.

The tabulation below shows that the most common form of compensation was payment of time and one-half the regular hourly rate, especially in the manufacturing sector. A choice of time and one-half off or time and one-half in pay was more frequent in the non-manufacturing agreements.

Most Common Weekly Overtime Compensation	All Industries		Manufac- turing		Non- Manufac- turing	
	<u>Agrts</u>	<u>%</u>	<u>Agrts</u>	<u>%</u>	<u>Agrts</u>	<u>%</u>
Total with provision .....	435	100	205	100	230	100
Time and one-half ....	395	91	202	99	193	84
Equivalent time off or pay at time and one-half .....	16	4	1	(a)	15	6

(a) Less than 1 per cent

Higher premiums were provided after an initial number of overtime hours in 23 (5 per cent) of the 435 agreements with provision for weekly overtime. In 15 of these, the initial rate was time and one-half and the higher rate was double time after the hours shown in the following tabulation; in the remaining 8 agreements where the initial rate was other than time and one-half, both the initial and the higher rates varied.

<u>Weekly Overtime Hours after which Double-Time was Paid</u>	<u>Number of Agreements</u>
Total with provision .....	15
3 hours .....	1
3½ hours .....	1
8 hours .....	5
10 hours .....	4
More than 10 hours .....	4

#### Saturday Overtime

Four hundred and thirty-six agreements (49 per cent of the 890 agreements analyzed, covering 38 per cent of the employees) provided compensation for employees who worked on a Saturday which was not part of their regular work schedule. Three-quarters of the 473 manufacturing agreements (75 per cent) provided Saturday overtime compensation. This provision was considerably less prevalent in the non-manufacturing sector where it appeared in only 19 per cent of the 417 agreements.

Time and one-half was the most common rate of pay for Saturday overtime work, especially in the manufacturing sector, as the next tabulation shows. A higher proportion of the non-manufacturing agreements paid double time for Saturday work.



Most Common Saturday Overtime Compensation	All Industries		Manufac- turing		Non- Manufac- turing	
	Agrts	%	Agrts	%	Agrts	%
Total with provision .....	436	100	356	100	80	100
Time and one-half ....	392	90	336	94	56	70
Double time .....	31	7	17	5	14	18

Higher premiums were provided after an initial number of overtime hours in 124 (28 per cent) of the 436 agreements with provision for Saturday overtime. In 118 of these, the initial rate was time and one-half and the higher rate was double time. In the remaining 6 agreements both the initial and the higher rates varied.

<u>Saturday Overtime Hours after which Double Time was Paid</u>	<u>Number of Agreements</u>
Total with provision .....	118
3 hours .....	4
4 hours .....	21
5 hours .....	5
8 hours .....	52
10 hours .....	3
11 hours .....	6
12 hours .....	15
Other .....	12

### Sunday Overtime

Five hundred and fifty agreements (62 per cent of the 890 agreements examined, covering 51 per cent of the employees) provided compensation for employees who worked on a Sunday which was not part of their regular work schedule. A large majority of the 473 manufacturing agreements (88 per cent) provided Sunday overtime compensation. This provision was less common in the manufacturing sector (in 32 per cent of the 417 agreements).

Double time was the most common rate of pay for Sunday overtime work, especially in the manufacturing sector, followed by payment of time and one-half.

Most Common Sunday Overtime Compensation	All Industries		Manufac- turing		Non- Manufac- turing	
	<u>Agrts</u>	<u>%</u>	<u>Agrts</u>	<u>%</u>	<u>Agrts</u>	<u>%</u>
Total with provision .....	550	100	417	100	133	100
Time and one-half .....	105	19	70	17	35	26
Double time .....	416	76	339	81	77	58

In 26 of the 550 agreements with provision for Sunday overtime, double time was paid after an initial number of over-  
time hours paid at time and one-half, as shown below.

<u>Sunday Overtime Hours after which Double Time was Paid</u>	<u>Number of Agreements</u>
Total with provision .....	26
3 hours .....	1
4 hours .....	1
8 hours .....	24

In 12 other agreements the initial overtime rate varied; in 7 of these the higher rate also varied and in the other 5 the higher rate was triple time paid after 8 hours of overtime.

#### Sixth Day Overtime

Three hundred and sixty-five agreements (41 per cent of the 890 agreements analyzed, covering 61 per cent of the employees), provided compensation for hours worked on the sixth consecutive day of work or the first scheduled day off for employees whose regular schedule might include Saturday. Just over one-third (34 per cent) of the 473 manufacturing agreements had sixth day overtime provisions compared with 49 per cent of the 417 non-manufacturing contracts.

Pay for work on the sixth day was most frequently at the rate of time and one-half, especially in the manufacturing sector. A greater proportion of the agreements in the non-manufacturing sector specified double time pay or offered the choice of pay or time off at time and one-half.

Most Common Sixth Day Overtime Compensation	All Industries		Manufac- turing		Non- Manufac- turing	
	Agrts	%	Agrts	%	Agrts	%
Total with provision .....	365	100	160	100	205	100
Time and one-half ....	276	76	147	92	129	63
Double time .....	30	8	9	6	21	10
Equivalent time off or pay at time and one-half ..	39	11	-	-	39	19

In 49 of the 365 agreements providing sixth day over-  
time compensation, double time was paid after the initial rate  
of time and one-half for the hours shown below.

<u>Sixth Day Overtime Hours after which Double Time was Paid</u>	<u>Number of Agreements</u>
Total with provision .....	49
4 hours .....	7
7½ hours .....	4
8 hours .....	21
11 hours .....	2
12 hours .....	5
Other .....	10

In 12 other agreements the initial overtime rate  
varied: in 8 of these, the higher compensation was a choice of  
double time off or double pay after 7½ hours of overtime; in  
the other 4 agreements, the higher rate varied.

#### Seventh Day Overtime

Three hundred and fifty-nine agreements (40 per cent  
of the 890 agreements studied, covering 54 per cent of the  
employees) provided compensation for hours worked on the  
seventh consecutive day or for employees whose regular work  
week might include Sunday. Over one-third of the 473 manufac-  
turing agreements (36 per cent) had seventh day overtime  
provisions compared with 45 per cent of the 417 non-manufacturing  
agreements.

As the following tabulation shows, the most common  
form of seventh-day compensation was double time in the manu-

facturing sector; in the non-manufacturing sector 45 per cent pay time and one-half and a further 43 per cent pay either double time or provide a choice of double time off or pay.

Most Common Seventh Day Overtime Compensation	All Industries		Manufac- turing		Non- Manufac- turing	
	<u>Agrts</u>	<u>%</u>	<u>Agrts</u>	<u>%</u>	<u>Agrts</u>	<u>%</u>
Total with provision .....	359	100	170	100	189	100
Time and one-half .....	140	39	54	32	86	45
Double time .....	164	46	113	66	51	27
Double time off or pay at double time..	31	9	-	-	31	16

Higher rates of pay were specified in 14 of the 359 agreements with provision for seventh day overtime compensation. In 12 of these, the initial rate was time and one-half followed by double time for work in excess of the hours in the tabulation below; the remaining two varied.

<u>Seventh Day Overtime Hours after which Double Time was Paid</u>	<u>Number of Agreements</u>
Total with provision .....	12
7½ hours .....	2
7 3/4 hours .....	3
8 hours .....	4
12 hours .....	1
Other .....	2

#### MEAL ALLOWANCES

In 299 agreements (34 per cent) of the 890 agreements examined a meal allowance was provided or paid for when employees were required to work overtime.

The payment for a meal ranged from \$1.00 to \$4.50 (with one exceptional case of \$7.50). The most common allowances were \$2.00 in 18 per cent of the agreements, \$1.50 in 12 per cent and \$2.50 in 12 per cent.



Meals were provided by the employer in 69 agreements, and in a further 48 contracts the employer had the option of providing or paying for a meal.

Employees usually had to work a minimum number of overtime hours to qualify for a meal allowance, as the following tabulation shows.

<u>Meal Allowance</u>	<u>Number of Agreements Providing Meal Allowance after Overtime of</u>						
	<u>1</u> <u>hr.</u>	<u>1½</u> <u>hrs.</u>	<u>2</u> <u>hrs.</u>	<u>2½</u> <u>hrs.</u>	<u>3</u> <u>hrs.</u>	<u>4</u> <u>hrs.</u>	<u>Other</u>
Total with provision..	25	8	158	1	61	22	24
Up to \$1.50 .....	8	-	29	-	8	5	5
\$1.51 - \$2.00 .....	3	2	45	-	16	1	4
\$2.01 - \$2.50 .....	3	2	25	-	23	1	4
\$2.51 or more .....	2	1	20	-	10	2	-
Meals provided .....	9	3	36	1	4	12	4
Other .....	-	-	3	-	-	1	7

Over half (53 per cent) of the 299 agreements supplied a meal or paid a meal allowance after 2 hours of overtime; of these 36 provided a meal, 33 paid \$2.00 and 23 paid \$1.50. The remainder varied from \$1.00 to \$7.50.

In the previous report, 144 or 50% of the 286 agreements providing a meal allowance paid \$2.00 or less and 66, or 23 per cent, paid \$2.01 or more. The current figures are 42 per cent and 31 per cent, respectively.

TABLE 1

Overtime Compensation Provisions in Ontario Collective Agreements<sup>1</sup> Covering 200 or More Employees, by Industry, August 1976

- 10 -

Industry	Total with Provisions for Overtime Compensation		Number with provisions for											
	Overtime Compensation		Daily Overtime		Weekly Overtime		Saturday Overtime		Sunday Overtime		Sixth Day Overtime		Seventh Day Overtime	
	Agrts	Empls	Agrts	Empls	Agrts	Empls	Agrts	Empls	Agrts	Empls	Agrts	Empls	Agrts	Empls
All Industries .....	890	762,338	844	734,220	435	362,386	436	292,413	550	388,857	365	462,062	359	410,493
Manufacturing .....	473	304,368	464	299,130	205	155,160	356	227,025	417	257,534	160	162,602	170	155,271
Food, Beverages .....	45	21,252	44	20,880	29	11,110	32	13,306	43	20,433	16	8,210	18	11,445
Tobacco .....	3	1,423	3	1,423	-	-	3	1,423	3	1,423	-	-	-	-
Rubber, Plastics .....	18	10,016	18	10,016	5	3,364	18	10,016	18	10,016	-	-	-	-
Leather .....	9	3,058	9	3,058	6	1,798	5	1,616	5	1,822	1	332	1	332
Textiles .....	27	11,544	26	11,319	15	5,206	17	6,413	22	9,188	8	4,486	7	4,246
Knitting Mills .....	3	795	3	795	2	520	2	575	3	795	-	-	1	300
Clothing .....	9	9,109	9	9,109	9	9,109	3	1,732	3	1,732	-	-	3	1,732
Wood .....	14	3,838	13	3,550	5	1,383	9	2,538	13	3,488	5	1,686	4	1,438
Furniture, Fixtures .....	13	4,353	12	4,033	6	1,745	12	4,033	12	4,033	1	323	1	323
Paper .....	41	17,621	41	17,621	11	4,972	15	5,171	40	17,059	28	13,298	27	12,375
Printing, Publishing .....	10	6,176	10	6,176	4	3,327	6	3,744	8	5,642	5	2,652	4	2,402
Primary Metals .....	29	31,878	28	30,295	18	27,394	18	8,782	18	8,782	12	24,416	13	23,746
Fabricated Metals .....	57	20,220	57	20,220	18	5,846	50	17,372	51	17,707	15	7,222	16	7,520
Machinery .....	26	16,071	26	16,071	12	9,585	25	15,696	25	15,696	6	4,754	6	4,754
Transportation Equip. ....	57	82,572	55	81,414	26	50,570	55	81,268	56	81,472	23	65,533	26	54,368
Electrical Products .....	57	39,571	56	39,242	16	10,231	51	37,651	54	38,420	18	19,916	18	19,566
Non-Metallic Minerals .....	19	8,950	19	8,950	12	4,334	11	5,001	16	7,723	5	2,007	6	2,307
Petroleum, Oil .....	3	1,347	3	1,347	-	-	1	797	1	797	3	1,347	3	1,347
Chemicals .....	15	7,020	15	7,020	4	1,375	8	3,788	9	4,040	10	5,043	12	5,693
Miscellaneous Mfg. ....	18	7,554	17	6,591	7	3,291	15	6,103	17	7,266	4	1,377	4	1,377
Non-Manufacturing <sup>1</sup> ....	417	457,970	380	435,090	230	207,226	80	65,388	133	131,323	205	299,460	189	255,222
Forestry .....	12	6,177	12	6,177	10	5,290	8	3,409	12	6,177	12	6,177	2	1,787
Mining, Quarrying .....	19	25,227	19	25,227	18	25,024	1	203	5	19,365	3	1,167	3	1,167
Transportation .....	36	50,927	35	50,483	16	35,268	10	15,846	15	23,657	22	37,072	22	37,072
Storage .....	2	1,925	1	1,700	1	225	2	1,925	2	1,925	-	-	-	-
Communications .....	13	39,356	11	38,756	4	29,241	-	-	1	300	5	7,015	5	7,015
Electric, Gas, Water .....	14	19,719	14	19,719	3	15,599	9	17,344	9	17,344	11	18,507	11	18,507
Wholesale Trade .....	6	1,706	5	1,462	4	1,006	2	550	4	1,106	2	600	1	400
Retail Trade .....	17	34,844	16	30,787	12	18,984	3	2,367	14	27,729	13	28,190	12	26,433
Finance, Insurance, Real Estate .....	1	501	1	501	-	-	-	-	-	-	1	501	1	501
Education .....	55	27,374	49	22,287	38	16,878	21	7,610	37	13,447	10	7,606	10	7,606
Health, Welfare .....	101	38,372	96	37,107	80	30,084	5	2,689	6	3,063	48	17,237	47	16,863
Recreational Services .....	6	3,034	4	2,504	-	-	1	245	1	245	1	1,800	-	-
Management Services .....	9	5,199	9	5,199	4	1,724	2	1,092	2	1,092	2	740	2	740
Personal Services .....	16	7,264	12	4,912	9	5,032	-	-	-	-	9	4,181	7	2,967
Miscellaneous Services .....	1	321	1	321	1	321	-	-	-	-	-	-	-	-
Federal Admin. ....	51	93,246	44	88,723	10	8,947	4	2,560	5	3,881	46	91,097	46	56,594
Provincial Admin. ....	6	68,677	6	68,677	-	-	-	-	-	-	6	68,677	6	68,677
Local Admin. ....	52	34,101	45	30,548	20	13,603	12	9,548	20	11,992	14	8,893	14	8,893

TABLE 2

Initial Compensation for Overtime Work in Ontario Collective Agreements  
Covering 200 or more Employees, August 1976

Amount of Compensation	Number of agreements with provision for					
	Daily Overtime	Weekly Overtime	Saturday Overtime	Sunday Overtime	Sixth Day Overtime	Seventh Day Overtime
Total with provision ..	844	435	436	550	365	359
Straight time .....	-	1	1	-	-	-
Time & one-quarter .....	-	1	-	1	-	-
Time & one-half .....	744	395	392	105	276	140
Time & three-quarters ...	2	-	-	-	2	2
Double time .....	4	1	31	416	30	164
Double time & one-half ..	-	-	-	4	-	-
Triple time .....	-	-	-	1	-	-
Equivalent time off .....	1	1	-	-	-	-
Time & one-half off .....	-	1	-	-	-	-
Equivalent time off or pay at straight time .....	3	2	-	-	2	2
Equivalent time off or pay at time and one-half .....	20	11	2	1	8	7
Time and one-half off or pay at time and one-half .....	50	16	3	-	39	7
Double time off or pay at double time ....	-	-	2	10	1	31
Varies for different groups of employees ...	12	5	3	2	6	4
Other .....	8	1	2	10	1	2



Previous Reports in the Bargaining Information Series  
Still Available

<u>Report Number</u>	<u>Title</u>
7	Selected Cost-of-Living Provisions in Ontario Collective Agreements, May 1975
8	Paid Vacations and Paid Holidays in Ontario Collective Agreements, July 1975
9	Overtime Compensation in Ontario Collective Agreements, August 1975
10	Ontario Collective Bargaining Agreements Expirations 1976, January 1976
11	Reporting, Call-back and Stand-by Pay; Shift, Saturday and Sunday Premiums; and Work Clothing, Safety Equipment and Tool Allowances in Ontario Collective Bargaining Agreements, September 1976
12	Paid Vacations and Paid Holidays in Ontario Collective Agreements, January 1976
13	Cost-of-Living Provisions in Ontario Collective Bargaining Agreements, October 1975
14	Life Insurance and Accidental Death and Dismember- ment Insurance Plans in Ontario Collective Agreements
15	Paid Vacations and Paid Holiday in Ontario Collective Agreements, July 1976
16	O.H.I.P., Major Medical, Prescription and Dental Plans in Ontario Collective Agreements, April 1976

Special Issues

Hourly Wage Rates for Selected Occupations under  
Hospital Agreements in Ontario, October 1975

Hourly Wage Rates for Selected Occupations under  
Ontario Agreements Covering Nursing Homes and  
Homes for the Aged, November 1975





